

**ANNUAL REPORT ON IMPLEMENTATION OF THE
MOSCOW TREATY**

2003



Prepared by:

The U.S. Department of State

**In response to
Condition 2(2) of the Resolution of Advice and Consent
To Ratification of the Treaty on Strategic Offensive Reductions
Of May 24, 2002**

MOSCOW TREATY ANNUAL IMPLEMENTATION REPORT

Introduction

This Report is submitted in response to Condition (2) of the March 6, 2003, Resolution of Advice and Consent to Ratification of the Treaty Between the United States of America and the Russian Federation on Strategic Offensive Reductions (Moscow Treaty). The Moscow Treaty was signed at Moscow on May 24, 2002, and entered into force on June 1, 2003. Condition (2) of the Resolution states: "Annual Implementation Report. - Not later than 60 days after exchange of instruments of ratification of the Treaty, and annually thereafter on April 15, the President shall submit to the Committee on Foreign Relations and the Committee on Armed Services of the Senate a report on implementation of the Treaty by the United States and the Russian Federation."

Condition (2) requires that the implementation report include the following:

(A) a listing of strategic nuclear weapons force levels of the United States, and a best estimate of the strategic nuclear weapons force levels of the Russian Federation, as of December 31 of the preceding calendar year;

(B) a detailed description, to the extent possible, of strategic offensive reductions planned by each party for the current calendar year;

(C) to the extent possible, the plans of each party for achieving by December 31, 2012, the strategic offensive reductions required by Article I of the Treaty;

(D) measures, including any verification or transparency measures, that have been taken or have been proposed by a party to assure each party of the other party's continued intent and ability to achieve by December 31, 2012, the strategic offensive reductions required by Article I of the Treaty;

(E) information relevant to implementation of this Treaty that has been learned as a result of Strategic Arms Reduction Treaty (START) verification measures, and the status of consideration of extending the START verification regime beyond December 2009;

(F) any information, insufficiency of information, or other situation that may call into question the intent or the ability of either party to achieve by December 31, 2012, the strategic offensive reductions required by Article I of the Treaty; and

(G) any actions that have been taken or have been proposed by a party to address concerns listed pursuant to subparagraph (F) or to improve the implementation and effectiveness of the Treaty.

Much of the information requested in the Senate condition is classified for national security reasons. A classified version of this Report contains the complete information required by Conditions 2(A) through (G).

The Moscow Treaty both reflects and significantly contributes to the emergence of the new strategic relationship between the United States and Russia. The Treaty places upon the United States a legal obligation to implement fully its publicly announced plans to reduce to a level of 1700-2200 strategic nuclear warheads by December 31, 2012.

A. (U) Listing of Strategic Nuclear Weapons Force Levels of the United States, and a Best Estimate of the Strategic Nuclear Weapons Force Levels of the Russian Federation, as of December 31 of the Preceding Calendar Year

The classified version of this Report contains the numbers of U.S. operationally deployed strategic nuclear warheads, by category of system, and estimated numbers of Russian Federation strategic nuclear warheads, as of December 31, 2002.

As noted in the Moscow Treaty Article-by-Article Analysis, in using the term "operationally deployed strategic nuclear warheads" the United States means reentry vehicles on ICBMs in their launchers, reentry vehicles on SLBMs in their launchers on board submarines, and nuclear armaments loaded on heavy bombers or stored in weapons storage areas of heavy bomber bases. A small number of spare strategic nuclear warheads (including spare ICBM warheads) are located at heavy bomber bases and the United States does not consider these warheads to be operationally deployed strategic nuclear warheads.

The Treaty makes clear that the Parties need not implement

their reductions in an identical manner. Russia, like the United States, may reduce its strategic nuclear warheads by any method it chooses. We do not yet know how Russia intends to count its reductions for purposes of the Moscow Treaty. It could use "operationally deployed strategic nuclear warheads" or some other method. Russia may or may not implement Moscow Treaty reductions in the same way it has implemented reductions under START. Moscow Treaty numbers are not comparable to START Treaty data due to the different counting approaches of the two treaties.

B. (U) Detailed Description, To the Extent Possible, of Strategic Offensive Reductions Planned by Each Party for the Current Calendar Year

During the current year the United States plans to complete the deactivation of 17 Peacekeeper ICBMs. In addition, a Trident SSBN, totaling 24 Trident I SLBMs, will be taken out of strategic service and begin the modification process to a SSGN. These actions will reduce the number of operationally deployed strategic nuclear warheads by about 300.

The classified version of this Report describes the U.S. estimate of planned Russian strategic offensive reductions during 2003, based on information provided by the Russian government.

C. (U) To the Extent Possible, the Plans of Each Party for Achieving by December 31, 2012, the Strategic Offensive Reductions Required by Article I of the Treaty

The U.S. plans for achieving by December 31, 2012, the strategic offensive reductions required by Article I of the Treaty involve, as the first planned step in reducing U.S. operationally deployed strategic nuclear warheads, retiring 50 Peacekeeper ICBMs, removing four Trident submarines from strategic service, and no longer maintaining the ability to return the B-1B heavy bomber to nuclear service. These steps are already underway (Peacekeeper deactivation and SSBN-to-SSGN modification) or completed (B-1B). At any given time, the United States will have two of the remaining 14 Trident SSBNs in overhaul. Those SSBNs in overhaul will not contain operationally deployed strategic nuclear warheads.

The United States plans to reduce its operationally deployed strategic nuclear warheads to 3500-4000 by 2007. Specific decisions about U.S. forces beyond 2007 have not been made. It is anticipated that reductions beyond 2007 will involve decreasing the number of operationally deployed strategic nuclear warheads on ballistic missiles and lowering the number of operationally deployed warheads at heavy bomber bases. These plans, however, will be periodically assessed, and will evolve over time.

Information regarding Russian Federation plans for implementing Moscow Treaty reductions is contained in the classified version of this Report.

D. (U) Measures, Including Any Verification or Transparency Measures, That Have Been Taken or Have Been Proposed by a Party to Assure Each Party of the Other Party's Continued Intent and Ability to Achieve by December 31, 2012, the Strategic Offensive Reductions Required by Article I of the Treaty

The Moscow Treaty both reflects and significantly contributes to the emergence of the new strategic relationship between the United States and Russia. Consequently, as the Administration indicated during hearings and in written submissions, we do not believe it needs to be "verifiable" in the way the START Treaty is. Moreover, this new relationship is expected to mature with increasing openness over the lifetime of the Treaty and the degree of such openness will be increasingly useful as the deadline for meeting the Treaty's central obligation approaches.

Article III of the Treaty establishes the Bilateral Implementation Commission (BIC) for purposes of implementing the Treaty. The BIC serves as the forum in which the United States and Russia exchange information on their respective implementation efforts.

The same day the Moscow Treaty was signed, May 24, 2002, Presidents Bush and Putin also issued the Joint Declaration on the New Strategic Relationship. That Declaration established the Consultative Group for Strategic Security (CGSS), chaired by the Foreign and Defense Ministers of the United States and Russia, as the principal mechanism through which the sides strengthen mutual confidence, expand transparency, share information and plans, and discuss a broad range of strategic

issues of mutual interest. The inaugural CGSS meeting took place on September 20, 2002. That meeting resulted in the creation of three Working Groups. Working Group One focuses on transparency in offensive nuclear forces. Working Group One has met twice this year in Geneva, on January 14-16 and April 28-29. The U.S. focus has been to build confidence and a spirit of cooperation, by presenting a positive long-term vision and emphasizing near-term transparency.

E. Information Relevant to Implementation of this Treaty that has been Learned as a Result of Strategic Arms Reduction Treaty (START) Verification Measures, and the Status of Consideration of Extending the START Verification Regime Beyond December 2009

START verification measures, complemented by other information, will provide important data that will help us to understand how the Russian Federation is implementing the Moscow Treaty. A further discussion of this subject is contained in the classified Report.

The Administration has not yet considered the question of extending all or part of the START Treaty beyond its scheduled expiration in December 2009. As the United States and Russia implement the Moscow Treaty and the START Parties continue to implement START over the next few years, the United States will review this question and will determine the best course with respect to extending START.

F. Statement as to Whether Any Information, Insufficiency of Information, or Other Situation Exists that May Call Into Question the Intent or the Ability of Either Party to Achieve by December 31, 2012, the Strategic Offensive Reductions Required by Article I of the Treaty

The United States has information, described in the classified version of this Report, that indicates Russia both intends and is able to achieve the reductions required under the Moscow Treaty by December 31, 2012. For its part, the United States is committed to fulfilling the Moscow Treaty reductions, and envisions no obstacles to its capability to do so.

G. Any Actions that have been Taken or have been Proposed by a Party to Address Concerns Listed Pursuant to Subparagraph (F) or

to Improve the Implementation and Effectiveness of the Treaty

Neither Party has expressed concerns at this point about the intent or the ability of the other Party to comply with its obligations under the Treaty. With the goal of improving the implementation and effectiveness of the Treaty, the two Parties will discuss operating procedures for the BIC at its first meeting later this year.